



REPLY TO  
ATTENTION OF

**DEPARTMENT OF THE ARMY**  
ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT  
600 ARMY PENTAGON  
WASHINGTON, DC 20310-0600

DAIM-ZA

14 OCT 2005

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Performance-Based Contracting (PBC) Candidate Installations for FY06

1. References:

- a. Army Environmental Cleanup Strategy, April 2003.
- b. Army Environmental Cleanup Strategic Plan, January 2005.
- c. Memorandum, HQDA, DAIM-ED, 22 July 2004, subject: ACSIM Characteristics of Performance-Based Contracts Memorandum.

2. The purpose of this memorandum is to announce the FY06 list of candidate installations (enclosure) for potential participation in the Performance-based Contracting (PBC) initiative. The FY06 activities will expand on the success of the PBC initiative and complement the Army's goal to obligate 60% of the Army's FY06 Active Installation Restoration Program (IRP) funding on PBC contracts.

3. The Army continues to pursue cost effective, technically sound, and results-oriented environmental remediation strategies as directed by the Army Environmental Cleanup Strategy (AECS) (Ref 1 a), and reiterated in the Army Environmental Cleanup Strategic Plan (AECSP) (Ref 1b). The AECS and AECSP expand the current PBC successes by identifying common and consistent objectives across the Army's cleanup program. In addition to the continued implementation of PBCs for the IRP, the PBCs will include, where appropriate, Military Munitions Response Program (MMRP) and compliance cleanup sites.

4. The US Army Environmental Center (USAEC) will continue to lead the technical effort by coordinating with the Installation Management Agency (IMA), the Army Materiel Command, and the installations to create implementation teams for the identified candidates. Implementation teams will be composed of the Installation Restoration Program Manager, a representative from the installation's higher headquarters, the USAEC Restoration Manager, and the Technical Project Representative(s) (i.e., US Army Corps of Engineers and/or installation technical staff member).

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5. The Army expects to exceed the FY05 target goal of obligating 50% of the IRP budget on PBCs as identified in the AECS. As of August 2005, approximately \$429M has been obligated on PBCs since the inception of this initiative. A total of 39 contracts have been awarded to address approximately \$639M in cleanup requirements. This equates to a 33% cost avoidance when compared to the cost to complete.
6. I encourage installations to embrace this initiative and to maximize the use of these sound contracting principles whenever possible.

Encl

A handwritten signature in black ink, appearing to read "for JC Meniz", written over the printed name "DAVID W. BARNO".

DAVID W. BARNO  
Lieutenant General, GS  
Assistant Chief of Staff  
for Installation Management

FY06 PERFORMANCE-BASED CONTRACT  
INSTALLATION CANDIDATE LIST

Aberdeen Proving Ground (Canal Creek), MD  
Badger Army Ammunition Plant (AAP), WI  
Dugway Proving Ground, UT  
Fort Bragg, NC  
Fort Campbell, KY  
Fort Story, Fort Lee, and Fort Eustis, VA  
Fort Leonard Wood, MO  
Fort McClellan, AL  
Fort Riley, KS  
Hawthorne Army Depot (AD), NV  
Kansas AAP, KS  
Letterkenny AD, PA  
Picatinny Arsenal (ARDEC), NJ  
Radford AAP, VA  
Volunteer AAP, TN  
White Sands Missile Range, NM  
Regional Remedial Action Operations/Long Term Management